

CHANGES WITHOUT REGULATORY EFFECT UNDER CALIFORNIA CODE OF REGULATIONS, TITLE 1, SECTION 100

Statement of Explanation

Changes to Title 18. Public Revenue

Regulation 1532, *Teleproduction or Other Postproduction Service Equipment*

Regulation 1533.1, *Farm Equipment and Machinery*

Regulation 1534, *Timber Harvesting Equipment and Machinery*

Regulation 1535, *Racehorse Breeding Stock*

A. Factual Basis

California Code of Regulations, title 18, section (Regulation) 1532, *Teleproduction or Other Postproduction Service Equipment*, implements, interprets, and makes specific the partial exemption from sales and use tax provided by Revenue and Taxation Code (RTC) section 6378. Regulation 1533.1, *Farm Equipment and Machinery*, implements, interprets, and makes specific the partial exemption from sales and use tax provided by RTC section 6356.5. Regulation 1534, *Timber Harvesting Equipment and Machinery*, implements, interprets, and makes specific the partial exemption from sales and use tax provided by RTC section 6356.6. Regulation 1535, *Racehorse Breeding Stock*, implements, interprets, and makes specific the partial exemption from sales and use tax provided by RTC section 6358.5. The exemptions provided by RTC sections 6356.5, 6356.6, 6358.5, or 6378 are all commonly referred to as “partial exemption” because the exemptions apply to the state portion of the sales and use tax, but the exemptions do not extend to: (A) any tax levied by a county, city, or district pursuant to, or in accordance with, the Bradley-Burns Uniform Local Sales and Use Tax Law (RTC § 7200 et seq.), or the Transactions and Use Tax Law (RTC § 7251 et seq.); or (B) any tax levied pursuant to RTC sections 6051.2 and 6201.2, or section 35 of article XIII of the California Constitution.

Sections 2 and 3 of Assembly Bill No. 3 (2009-2010 3rd Ex. Sess.) added RTC sections 6051.7 and 6201.7 to increase the statewide sales and use tax rate by one percent beginning on April 1, 2009, and ceasing on either July 1, 2011, or July 1, 2012. Therefore, during 2009, the Board amended Regulations 1532, 1533.1, 1534, and 1535 under California Code of Regulations, title 1, section (Rule) 100 to specify that the partial exemptions provided by RTC sections 6356.5, 6356.6, 6358.5, and 6378 applied to the sales and use taxes imposed pursuant to RTC sections 6051, 6051.3, 6051.5, 6051.7, 6201, 6201.3, 6201.5, and 6201.7, which cumulatively imposed statewide sales and use taxes at rate of 6.25 percent.

On July 1, 2011, the one percent sales and use tax imposed by RTC sections 6051.7 and 6201.7 ceased according to its own terms. Therefore, the Board now proposes to amend subdivision (a) of Regulations 1532, 1533.1, 1534, and 1535 and appendices A and B to Regulation 1532 to specify that the partial exemptions provided by RTC sections 6356.5, 6356.6, 6358.5, and 6378 applied to the cumulative 6.25 percent sales and use tax rate imposed pursuant to RTC sections 6051, 6051.3, 6051.5, 6051.7, 6201, 6201.3, 6201.5, and 6201.7 from April 1, 2009, through June 30, 2011. However, the partial exemptions provided by RTC sections 6356.5, 6356.6, 6358.5, and 6378 apply to the cumulative 5.25 percent sales and use tax rate imposed pursuant to

RTC sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 beginning July 1, 2011, due to the expiration of the one percent sales and use tax imposed by RTC sections 6051.7 and 6201.7. The Board has determined that these changes to Regulations 1532, 1533.1, 1534, and 1535 are appropriate for processing under Rule 100 because the changes make the regulations consistent with RTC sections 6051.7 and 6201.7 and do not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

B. Proposed Changes to Regulations 1532, 1533.1, 1534, and 1535

1. Proposed changes to Regulation 1532:

Regulation 1532. Teleproduction or Other Postproduction Service Equipment.

(a) Partial Exemption for Property Purchased for Use in Teleproduction or Other Postproduction Services. Commencing on January 1, 1999, section 6378 of the Revenue and Taxation Code provides a partial exemption from sales and use tax for certain properties described in this regulation.

For the period commencing on January 1, 1999, and ending on December 31, 2000, the partial exemption applies to the taxes imposed by Sections 6051, 6051.3, 6201, and 6201.3 of the Revenue and Taxation Code (5%), but does not apply to the taxes imposed pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on January 1, 2001, and ending on December 31, 2001, the partial exemption applies to the taxes imposed by sections 6051 and 6201 of the Revenue and Taxation Code (4.75%), but does not apply to the taxes imposed pursuant to section 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on January 1, 2002, and ending on June 30, 2004, the partial exemption applies to the taxes imposed by Sections 6051, 6051.3, 6201, and 6201.3 of the Revenue and Taxation Code (5%), but does not apply to the taxes imposed pursuant to Section 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or Section 35 of article XIII of the California Constitution.

For the period commencing on July 1, 2004, and ending on March 31, 2009, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 of the Revenue and Taxation Code (5.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on April 1, 2009, and ending on June 30, 2011 ~~when sections 6051.7 and 6201.7 of the Revenue and Taxation Code cease to be operative~~, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6051.7, 6201, 6201.3, 6201.5, and

6201.7 of the Revenue and Taxation Code (6.25%) but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on July 1, 2011, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 of the Revenue and Taxation Code (5.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

Subject to the limitations set forth above, this partial exemption applies to sales or use taxes imposed on the gross receipts from the sale of, and the storage, use, or other consumption in this state of, any of the following items:

(1) . . . (unchanged).

(2) . . . (unchanged).

(b) Property Used Primarily in Administration, General Management, or Marketing. . . .
(unchanged).

(c) Definitions. . . . (unchanged):

(1) . . . (unchanged).

(2) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

1. . . . (unchanged).

2. . . . (unchanged).

(3) . . . (unchanged).

(4) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

(D) . . . (unchanged).

(5) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

(6) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(d) Taxes as to Which the Partial Exemption Does Not Apply. . . . (unchanged).

(e) Section 6378 Exemption Certificate.

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) Form of Certificate. . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

(D) . . . (unchanged).

(E) . . . (unchanged).

(F) . . . (unchanged).

(G) . . . (unchanged).

(4) . . . (unchanged).

(5) . . . (unchanged).

(f) Use Tax. . . . (unchanged).

(g) Conversion of Property to a Use Not Qualifying for the Partial Exemption. . . . (unchanged).

(h) Purchaser's Liability for the Payment of Sales Tax. . . . (unchanged).

(i) Leases.

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged).

(4) . . . (unchanged).

(5) . . . (unchanged).

(j) Records. . . . (unchanged).

(k) Operative Date. . . . (unchanged).

Note: Authority cited: Section 7051, Revenue and Taxation Code. Reference: Section 6378, Revenue and Taxation Code.

Appendix A:

Section 6378 Exemption Certificate

Please Note: This is a partial exemption from sales and use tax at the rate of 5.25% effective July 1, 2011, 6.25% from ~~effective~~ April 1, 2009 to June 30, 2011, ~~and ending when sections 6051.7 and 6201.7 of the Revenue and Taxation Code cease to be operative~~, 5.25% from July 1, 2004 to March 31, 2009, 5% from January 1, 2002 to June 30, 2004, 4.75% from January 1, 2001 to December 31, 2001, and 5% from January 1, 1999 to December 31, 2000. You are not relieved from your obligations for the local and district taxes on this transaction. This partial exemption also does not apply to any tax levied pursuant to section 6051.2 and 6201.2 of the Revenue and Taxation Code, or pursuant to section 35 of article XIII of the California Constitution. The exemption is specific to these transactions only and may not be construed to exempt other transactions. This exemption also applies to lease payments made on or after January 1, 1999, notwithstanding the fact that the lease agreement was entered into prior to January 1, 1999. This certificate may *not* be used to purchase certain property such as, furniture, inventory, meals, vehicles, equipment used to store products or real property.

Seller's Name
Seller's Address
(Street, City, State, Zip Code)

PURCHASE ORDER NUMBER	DATE OF PURCHASE ORDER	DESCRIPTION OF PROPERTY PURCHASED OR LEASED*	SALES PRICE/ RENTALS PAYABLE

I hereby certify that I am a qualified person primarily engaged in teleproduction or other postproduction services as described in Regulation 1532 and that the property listed above will be used primarily in teleproduction or other postproduction services or to maintain, repair, measure or test any such property. I understand that if such property is used outside the State of California or leased to a non-qualified person in the aggregate for more than one half of the one year period following the date of purchase or lease, or if such property is converted for use in a manner not qualifying for the exemption, that I am required by the Revenue and Taxation Code to report and pay the state sales/use tax measured by the sales price of the property to/by me.

PRINT NAME	TITLE	COMPANY NAME
SIGNATURE	DATE	PERMIT NUMBER (if applicable)*
ADDRESS	CITY	STATE, ZIP

Seller must retain a copy of this exemption certificate to support a deduction taken on their return.

* A seller's permit is required to be held by any person engaged in the business of selling tangible personal property in California. Certain lessors must also hold a seller's permit. If you are not required to hold a seller's permit because you make no sales or leases of tangible personal property in California, please enter "Not Applicable".

Appendix B: Section 6378 Blanket Exemption Certificate

Please Note: This is a partial exemption from sales and use tax at the rate of 5.25% effective July 1, 2011, 6.25% from ~~effective April 1, 2009 to June 30, 2011, and ending when sections 6051.7 and 6201.7 of the Revenue and Taxation Code cease to be operative~~, 5.25% from July 1, 2004 to March 31, 2009, 5% from January 1, 2002 to June 30, 2004, 4.75% from January 1, 2001 to December 31, 2001, and 5% from January 1, 1999 to December 31, 2000. You are not relieved from your obligations for the local and district taxes on this transaction. This partial exemption also does not apply to any tax levied pursuant to section 6051.2 and 6201.2 of the Revenue and Taxation Code, or pursuant to section 35 of article XIII of the California Constitution. This exemption also applies to lease payments made on or after January 1, 1999, notwithstanding the fact that the lease agreement was entered into prior to January 1, 1999. This certificate may **not** be used to purchase certain property such as furniture, inventory, meals, vehicles, equipment used to store products or real property.

Seller's Name
Seller's Address
(Street, City, State, Zip Code)

I hereby certify that I am a qualified person primarily engaged in teleproduction or other postproduction services as described in Regulation 1532 and that the property purchased or leased will be used primarily in teleproduction or other postproduction services or to maintain, repair, measure or test any such property. I understand that if such property is used outside the State of California or leased to a non qualified person in the aggregate for more than one half of the one year period following the date of purchase or lease, or if such property is converted for use in a manner not qualifying for the exemption, that I am required by the Revenue and Taxation Code to report and pay the state sales/use tax measured by the sales price of the property to/by me.

PRINT NAME	TITLE	COMPANY NAME
SIGNATURE	DATE	PERMIT NUMBER (if applicable)*

ADDRESS	CITY	STATE, ZIP
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Seller must retain a copy of this exemption certificate to support a deduction taken on their return.

* A seller's permit is required to be held by any person engaged in the business of selling tangible personal property in California. Certain lessors must also hold a seller's permit. If you are not required to hold a seller's permit because you make no sales or leases of tangible personal property in California, please enter "Not Applicable."

2. Proposed Changes to Regulation 1533.1:

Regulation 1533.1. Farm Equipment and Machinery.

(a) General. Commencing on and after September 1, 2001, Section 6356.5 of the Revenue and Taxation Code partially exempts from sales and use tax the sale of, and the storage, use, or other consumption in this state, of farm equipment and machinery, and parts of farm equipment and machinery purchased for use by a qualified person to be used primarily in producing and harvesting agricultural products. The terms "farm equipment and machinery," "parts of farm equipment and machinery," "qualified person," and "producing and harvesting agricultural products" are defined below.

For the period commencing on September 1, 2001, and ending on December 31, 2001, the partial exemption applies to the taxes imposed by Sections 6051 and 6201 of the Revenue and Taxation Code (4.75%), but does not apply to the taxes imposed pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or Section 35 of article XIII of the California Constitution.

For the period commencing on January 1, 2002, and ending on June 30, 2004, the partial exemption applies to the taxes imposed by Sections 6051, 6051.3, 6201, and 6201.3 of the Revenue and Taxation Code (5%), but does not apply to the taxes imposed pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or Section 35 of article XIII of the California Constitution.

For the period commencing on July 1, 2004, and ending on March 31, 2009, the partial exemption applies to the taxes imposed by Sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 of the Revenue and Taxation Code (5.25%), but does not apply to the taxes imposed or administered pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or Section 35 of article XIII of the California Constitution.

For the period commencing on April 1, 2009, and ending on June 30, 2011 ~~when sections 6051.7 and 6201.7 of the Revenue and Taxation Code cease to be operative~~, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6051.7, 6201, 6201.3, 6201.5, and 6201.7 of the Revenue and Taxation Code (6.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on July 1, 2011, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 of the Revenue and Taxation Code (5.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

(b) Definitions. . . . (unchanged):

(1) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(2) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(3) . . . (unchanged).

(4) . . . (unchanged).

(5) . . . (unchanged).

(6) . . . (unchanged).

(7) . . . (unchanged).

(c) Partial Exemption Certificates.

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

(D) . . . (unchanged).

(E) . . . (unchanged).

(F) . . . (unchanged).

(G) . . . (unchanged).

(4) . . . (unchanged).

(5) . . . (unchanged).

(d) Partial Exemption Certificate for Use Tax. . . . (unchanged).

(e) Refund of Partial Exemption.

(1) . . . (unchanged).

(2) . . . (unchanged).

(f) Improper Use of Partial Exemption.

(1) . . . (unchanged).

(2) . . . (unchanged).

(g) Purchaser's Liability for the Payment of Sales Tax.

(1) . . . (unchanged).

(2) . . . (unchanged).

(h) Leases to Qualifying Persons.

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged).

(i) Records. . . . (unchanged).

(j) Operative Date. . . . (unchanged).

Note: Authority cited: Section 7051, Revenue and Taxation Code. Reference: Section 6356.5, Revenue and Taxation Code.

3. Proposed Changes to Regulation 1534:

Regulation 1534. Timber Harvesting Equipment and Machinery.

(a) General. Commencing on and after September 1, 2001, section 6356.6 of the Revenue and Taxation Code partially exempts from sales and use tax the sale of, and the storage, use, or other consumption in this state, of off-road commercial timber harvesting equipment and machinery, and parts of off-road commercial timber harvesting equipment and machinery, that are purchased by a qualified person for use primarily in timber harvesting. The terms “off-road commercial timber harvesting equipment and machinery,” “parts of off-road commercial timber harvesting equipment and machinery,” “qualified person,” and “commercial timber harvesting operations” are defined below.

For the period commencing on September 1, 2001, and ending on December 31, 2001, the partial exemption applies to the taxes imposed by sections 6051 and 6201 of the Revenue and Taxation Code (4.75%), but does not apply to the taxes imposed pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on January 1, 2002, and ending on June 30, 2004, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6201, and 6201.3 of the Revenue and Taxation Code (5%), but does not apply to the taxes imposed pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on July 1, 2004, and ending on March 31, 2009, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 of the Revenue and Taxation Code (5.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on April 1, 2009, and ending on June 30, 2011~~when sections 6051.7 and 6201.7 of the Revenue and Taxation Code cease to be operative~~, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6051.7, 6201, 6201.3, 6201.5, and 6201.7 of the Revenue and Taxation Code (6.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on July 1, 2011, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 of the Revenue and Taxation Code (5.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

(b) Definitions. . . . (unchanged):

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

(4) . . . (unchanged).

(5) . . . (unchanged).

(6) . . . (unchanged).

(7) . . . (unchanged).

(8) . . . (unchanged).

(c) Partial Exemption Certificates.

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

(D) . . . (unchanged).

(E) . . . (unchanged).

(F) . . . (unchanged).

(4) . . . (unchanged).

(5) . . . (unchanged).

(d) Partial Exemption Certificate for Use Tax. . . . (unchanged).

(e) Refund of Partial Exemption.

(1) . . . (unchanged).

(2) . . . (unchanged).

(f) Improper Use of Partial Exemption.

(1) . . . (unchanged).

(2) . . . (unchanged).

(g) Purchaser's Liability for the Payment of Sales Tax.

(1) . . . (unchanged).

(2) . . . (unchanged).

(h) Leases to Qualifying Persons.

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged).

(i) Records. . . . (unchanged).

(j) Operative Date. . . . (unchanged).

Note: Authority cited: Section 7051, Revenue and Taxation Code. Reference: Section 6356.6, Revenue and Taxation Code.

4. Proposed Changes to Regulation 1535:

Regulation 1535. Racehorse Breeding Stock.

(a) General. Commencing on and after September 1, 2001, section 6358.5 of the Revenue and Taxation Code partially exempts from sales and use tax the sale of, and the storage, use, or other consumption in this state, of racehorse breeding stock purchased for use by a qualified person. The terms “racehorse breeding stock” and “qualified person” are defined below.

For the period commencing on September 1, 2001 and ending December 31, 2001, the partial exemption applies to the taxes imposed by sections 6051 and 6201 of the Revenue and Taxation Code (4.75%), but does not apply to the taxes imposed pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on January 1, 2002, and ending on June 30, 2004, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6201, and 6201.3 of the Revenue and Taxation Code (5%), but does not apply to the taxes imposed pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales

and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on July 1, 2004, and ending on March 31, 2009, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 of the Revenue and Taxation Code (5.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on April 1, 2009, and ending on June 30, 2011~~when sections 6051.7 and 6201.7 of the Revenue and Taxation Code cease to be operative~~, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6051.7, 6201, 6201.3, 6201.5 and 6201.7 of the Revenue and Taxation Code (6.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

For the period commencing on July 1, 2011, the partial exemption applies to the taxes imposed by sections 6051, 6051.3, 6051.5, 6201, 6201.3, and 6201.5 of the Revenue and Taxation Code (5.25%), but does not apply to the taxes imposed or administered pursuant to sections 6051.2 and 6201.2 of the Revenue and Taxation Code, the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or section 35 of article XIII of the California Constitution.

(b) Definitions. . . . (unchanged):

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged):

(A) . . . (unchanged).

(B) . . . (unchanged).

(C) . . . (unchanged).

(4) . . . (unchanged).

(c) Partial Exemption Certificates.

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged):

- (A) . . . (unchanged).
- (B) . . . (unchanged).
- (C) . . . (unchanged).
- (D) . . . (unchanged).
- (E) . . . (unchanged).
- (F) . . . (unchanged).
- (G) . . . (unchanged).
- (4) . . . (unchanged).
- (5) . . . (unchanged).
- (d) Partial Exemption Certificate for Use Tax. . . . (unchanged).
- (e) Refund of Partial Exemption.
 - (1) . . . (unchanged).
 - (2) . . . (unchanged).
- (f) Improper Use of Partial Exemption.
 - (1) . . . (unchanged).
 - (2) . . . (unchanged).
- (g) Purchaser's Liability for the Payment of Tax.
 - (1) . . . (unchanged).
 - (2) . . . (unchanged).
- (h) Leases to Qualifying Persons.
 - (1) . . . (unchanged).
 - (2) . . . (unchanged).
 - (3) . . . (unchanged).
- (i) Records. . . . (unchanged).

(j) Operative Date. . . . (unchanged).

Note: Authority cited: Section 7051, Revenue and Taxation Code. Reference: Section 6358.5, Revenue and Taxation Code.